

STATE OF TEXAS §
COUNTIES OF ARANSAS §
SAN PATRICIO AND NUECES §
CITY OF ARANSAS PASS §

On this the 11th day of May, 2006 the Aransas Pass Municipal Development District convened in a Special Meeting being open to the Public at the regular meeting place thereof in the City Hall and notice of said meeting giving the time, place, date and subject hereof having been posted and prescribed by Chapter 551 of the Texas Government Code with the following attendance to wit constituting a quorum:

ARANSAS PASS MUNICIPAL DEVELOPMENT DISTRICT
PRESENT:

PRESENT:	Don McTee	President
	Hope Comingore	Vice President
	Sherri Tringali	Secretary
	Jesse Galvan	Member
	Randy Freeze	Member
	Harold Hees	Member
	Randy Boatman	Member

ABSENT: Jimmy Turner Member

STAFF PRESENT: Debra Keller Executive Director/Treasurer
 Ernestine Chisholm Recording Secretary

CITY STAFF PRESENT: Gretchen Black Assistant City Manager
Darren Gurley Public Works Director

OTHERS PRESENT: Michael Arnold, CPA.

ITEM 1. **CALL MEETING TO ORDER.**

President McTee called the meeting to order at 6:35 p.m. on May 11, 2006. President McTee stated there was a quorum present.

ITEM 2. **APPROVAL OF MINUTES OF REGULAR**
MEETING OF MAY 2, 2006.

Vice-President Comingore moved to approve the regular minutes of May 2, 2006. Secretary Tringali seconded the motion and upon vote, the motion carried unanimously.

ITEM 3.

PRESENTATION OF FY06 ANNUAL FINANCIAL REPORT BY MICHAEL A. ARNOLD, PLLC.

Mike Arnold, PLLC presented the District's FY06 Financial Statement report to the Board. He reviewed the financial reports and stated he found the books were in excellent condition and that he did not have to make any adjustments. He did have any recommendations for improvements.

President McTee asked if there is anything in the future the Board should be aware of with regard to financial reporting changes. Mr. Arnold stated none that he is aware of at this time.

The Board thanked Executive Director Keller for her work in keeping the finances in excellent order.

ITEM 4.

CONSIDER AND ACT ON RESIGNATION OF BOARD MEMBER NAOMI HANSEN.

Executive Director Keller presented Member Hansen's letter of resignation. Secretary Tringali moved to accept the resignation of Board Member Naomi Hansen. Vice-President Comingore seconded the motion and upon, vote motion carried unanimously.

ITEM 5.

CONSIDER AND ACT ON BANKING SERVICES CONTRACT FOR ARANSAS PASS MUNICIPAL DEVELOPMENT DISTRICT.

Executive Director Keller stated that the City Finance Director, Sandy Roddel, had solicited bids for banking services and that four proposals were received and evaluated. The Board was presented with a tabulation of the scoring of each proposal and the city staff's recommendations. The city staff recommended Prosperity Bank as the bank of choice and will present their recommendation at the next regular City Council meeting.

President McTee asked when the proposals were sent to the banks and if the banks were aware that the Municipal Development District funds would also be considered.

Executive Director Keller noted that, via an amendment to the original RFP, the MDD funds were included and the banks were provided copies of the amendment.

Ms. Black advised that the amendment was hand delivered to all the banks in the area and that the City also advertised it in the newspaper as well.

After some discussion, Member Hees moved to accept the City staff's recommendation of awarding the bid to Prosperity Bank to act as the official depository of the APMDD's funds. The motion was seconded by Member Freeze and upon vote the motion carried, with Secretary Tringali abstaining from the motion.

ITEM 6.

**CONSIDER AND ACT ON BUDGET AMENDMENT
TO FYO6 ADOPTED BUDGET**

Executive Director Keller stated that the amendment includes the operating costs for contract personnel, which includes the agreement for the Executive Director services position from April through September, 2006 and funds for recording secretary services for each month.

Vice-President Comingore moved to accept the amendments to the budget as presented. Member Galvan seconded the motion and upon vote, the motion carried unanimously.

ITEM 7.

**RECONSIDER AND ACT ON AGREEMENT
BETWEEN CITY OF ARANSAS PASS AND
ARANSAS PASS MUNICIPAL DEVELOPMENT
DISTRICT FOR SERVICES RELATED TO THE
PROCUREMENT OF LAND FOR COMMUNITY
CENTER PROJECT.**

Executive Director Keller presented a revised agreement with the City for reimbursement of the appraisal and negotiator services for the properties considered for purchase by the City for the Civic Center Project. The revisions were requested by the City Manager which included the APMDD reimbursing the city for 100% of the cost of the appraisal and negotiator services instead of an allocation between the City and the APMDD based on the square footage of each entity's projects. Executive Director Keller also presented an outline of the cost of each appraisal as allocated by Mr. Sid Smith with American Appraisers. During discussion, members expressed concerns and comments related to the billing for services. Executive

Director Keller stated that she too had concerns, as a written agreement was never secured by the City. The Board requested additional information on the appraiser's billing break-down.

Member Freeze moved to table this item until the Board received further information. Vice-President Comingore seconded the motion and upon vote, the motion carried unanimously.

ITEM 8.

CONSIDER AND ACT ON EXCUSED ABSENCES.

There were no absences.

ITEM 9.

DIRECTOR'S REPORT.

Executive Director Keller stated that she provided the architect with the recommendations from the last meeting and he is working on those changes. She stated that he will have a new set of drawings for the Board's consideration prior to the next APMDD meeting.

She stated that several on the Board had taken a trip to Port Lavaca to visit the Bauer Community Center. She stated that they had received some very useful information from the Director in Port Lavaca and she has some pictures she will bring to the next meeting. Executive Director stated it was recommended that we visit the Bay City and Lake Jackson Civic Centers. She will try and schedule a trip next month for the board to visit these centers.

ITEM 10.

CITIZEN'S COMMENTS.

None.

ITEM 11.

GENERAL DISCUSSION

Member Boatman asked if the Board was recommending putting a hold on and consideration of the purchase of the single-family residences in block 287.

Executive Director Keller advised the City Council wants to meet with the Board on May 15, 2006, which is the regular Council meeting date, to discuss the Board recommendations for the purchase of property.

ITEM 12.

ADJOURNMENT OF MEETING

Secretary Tringali moved to adjourn the meeting. Vice-President Comingore seconded the motion and upon vote, the motion carried unanimously. The meeting was adjourned at 7:45 p.m.

Don McTee, President

Debra Keller, Executive Director

ATTEST:

Sherri Tringali, Secretary